Chapter 28B.92 RCW State student financial aid program

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28B.92.010 State need grant program established — Purpose.

The purposes of this chapter are to establish the principles upon which the state financial aid programs will be based and to establish the state of Washington state need grant program, thus assisting financially needy or disadvantaged students domiciled in Washington to obtain the opportunity of attending an accredited institution of higher education. State need grants under this chapter are available only to students who are resident students as defined in RCW 28B.15.012(2) (a) through (d).

28B.92.020 State need grant program — Findings — Intent.

(1) The legislature finds that the higher education coordinating board, in consultation with the higher education community, has completed a review of the state need grant program. It is the intent of the legislature to endorse the board's proposed changes to the state need grant program,

including:

- (a) Reaffirmation that the primary purpose of the state need grant program is to assist low-income, needy, and disadvantaged Washington residents attending institutions of higher education:
- (b) A goal that the base state need grant amount over time be increased to be equivalent to the rate of tuition charged to resident undergraduate students attending Washington state public colleges and universities;
- (c) State need grant recipients be required to contribute a portion of the total cost of their education through self-help;
- (d) State need grant recipients be required to document their need for dependent care assistance after taking into account other public funds provided for like purposes; and
- (e) Institutional aid administrators be allowed to determine whether a student eligible for a state need grant in a given academic year may remain eligible for the ensuing year if the student's family income increases by no more than a marginal amount except for funds provided through the educational assistance grant program for students with dependents.
- (2) The legislature further finds that the higher education coordinating board, under its authority to implement the proposed changes in subsection (1) of this section, should do so in a timely manner.
 - (3) The legislature also finds that:
- (a) In most circumstances, need grant eligibility should not extend beyond five years or one hundred twenty-five percent of the published length of the program in which the student is enrolled or the credit or clock-hour equivalent; and
- (b) State financial aid programs should continue to adhere to the principle that funding follows resident students to their choice of institution of higher education.

28B.92.030 Definitions.

As used in this chapter:

- (1) "Institution or institutions of higher education" means:
- (a) Any public university, college, community college, or technical college operated by the state of Washington or any political subdivision thereof; or
- (b) Any other university, college, school, or institute in the state of Washington offering instruction beyond the high school level which is a member institution of an accrediting

association recognized by rule of the board for the purposes of this section: PROVIDED, That any institution, branch, extension or facility operating within the state of Washington which is affiliated with an institution operating in another state must be a separately accredited member institution of any such accrediting association, or a branch of a member institution of an accrediting association recognized by rule of the board for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington, and has an annual enrollment of at least seven hundred full-time equivalent students: PROVIDED FURTHER, That no institution of higher education shall be eligible to participate in a student financial aid program unless it agrees to and complies with program rules and regulations adopted pursuant to RCW 28B.92.150.

- (2) "Financial aid" means loans and/or grants to needy students enrolled or accepted for enrollment as a student at institutions of higher education.
- (3) "Needy student" means a post high school student of an institution of higher education who demonstrates to the board the financial inability, either through the student's parents, family and/or personally, to meet the total cost of board, room, books, and tuition and incidental fees for any semester or quarter.
- (4) "Disadvantaged student" means a post high school student who by reason of adverse cultural, educational, environmental, experiential, familial or other circumstances is unable to qualify for enrollment as a full time student in an institution of higher education, who would otherwise qualify as a needy student, and who is attending an institution of higher education under an established program designed to qualify the student for enrollment as a full time student.
 - (5) "Board" means the higher education coordinating board.

28B.92.040 Board, guidelines in performance of duties.

The board shall be cognizant of the following guidelines in the performance of its duties:

- (1) The board shall be research oriented, not only at its inception but continually through its existence.
- (2) The board shall coordinate all existing programs of financial aid except those specifically dedicated to a particular institution by the donor.
- (3) The board shall take the initiative and responsibility for coordinating all federal student financial aid programs to ensure that the state recognizes the maximum potential effect of these programs, and shall design state programs that complement existing federal, state, and institutional programs. The board shall ensure that state programs continue to follow the principle that state financial aid funding follows the student to the student's choice of institution of higher education.

- (4) Counseling is a paramount function of the state need grant and other state student financial aid programs, and in most cases could only be properly implemented at the institutional levels; therefore, state student financial aid programs shall be concerned with the attainment of those goals which, in the judgment of the board, are the reasons for the existence of a student financial aid program, and not solely with administration of the program on an individual basis.
- (5) The "package" approach of combining loans, grants and employment for student financial aid shall be the conceptual element of the state's involvement.
- (6) The board shall ensure that allocations of state appropriations for financial aid are made to individuals and institutions in a timely manner and shall closely monitor expenditures to avoid under or overexpenditure of appropriated funds.

28B.92.050 Powers and duties of board.

The board shall have the following powers and duties:

- (1) Conduct a full analysis of student financial aid as a means of:
- (a) Fulfilling educational aspirations of students of the state of Washington, and
- (b) Improving the general, social, cultural, and economic character of the state.

Such an analysis will be a continuous one and will yield current information relevant to needed improvements in the state program of student financial aid. The board will disseminate the information yielded by their analyses to all appropriate individuals and agents.

- (2) Design a state program of student financial aid based on the data of the study referred to in this section. The state programs will supplement available federal and local aid programs. The state programs of student financial aid will not exceed the difference between the budgetary costs of attending an institution of higher education and the student's total resources, including family support, personal savings, employment, and federal, state, and local aid programs.
- (3) Determine and establish criteria for financial need of the individual applicant based upon the consideration of that particular applicant. In making this determination the board shall consider the following:
 - (a) Assets and income of the student.
- (b) Assets and income of the parents, or the individuals legally responsible for the care and maintenance of the student.
 - (c) The cost of attending the institution the student is attending or planning to attend.
 - (d) Any other criteria deemed relevant to the board.

- (4) Set the amount of financial aid to be awarded to any individual needy or disadvantaged student in any school year.
- (5) Award financial aid to needy or disadvantaged students for a school year based upon only that amount necessary to fill the financial gap between the budgetary cost of attending an institution of higher education and the family and student contribution.
- (6) Review the need and eligibility of all applications on an annual basis and adjust financial aid to reflect changes in the financial need of the recipients and the cost of attending the institution of higher education.

28B.92.060 State need grant awards.

In awarding need grants, the board shall proceed substantially as follows: PROVIDED, That nothing contained herein shall be construed to prevent the board, in the exercise of its sound discretion, from following another procedure when the best interest of the program so dictates:

- (1) The board shall annually select the financial aid award recipients from among Washington residents applying for student financial aid who have been ranked according to:
 - (a) Financial need as determined by the amount of the family contribution; and
 - (b) Other considerations, such as whether the student is a former foster youth.
- (2) The financial need of the highest ranked students shall be met by grants depending upon the evaluation of financial need until the total allocation has been disbursed. Funds from grants which are declined, forfeited or otherwise unused shall be reawarded until disbursed, except that eligible former foster youth shall be assured receipt of a grant.
- (3) A student shall be eligible to receive a state need grant for up to five years, or the credit or clock hour equivalent of five years, or up to one hundred twenty-five percent of the published length of time of the student's program. A student may not start a new associate degree program as a state need grant recipient until at least five years have elapsed since earning an associate degree as a need grant recipient, except that a student may earn two associate degrees concurrently. Qualifications for renewal will include maintaining satisfactory academic progress toward completion of an eligible program as determined by the board. Should the recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the grant shall be returned to the state educational grant fund by the institution according to the institution's own policy for issuing refunds, except as provided in RCW 28B.92.070.
- (4) In computing financial need, the board shall determine a maximum student expense budget allowance, not to exceed an amount equal to the total maximum student expense budget at the public institutions plus the current average state appropriation per student for operating expense in the public institutions.

(5) As used in this section, "former foster youth" means a person who is at least eighteen years of age, but not more than twenty-four years of age, who was a dependent of the department of social and health services at the time he or she attained the age of eighteen.

28B.92.070 Persian Gulf veterans — Limited application of RCW 28B.92.060.

Under rules adopted by the board, the provisions of RCW <u>28B.92.060(3)</u> shall not apply to eligible students, as defined in RCW 28B.10.017, and eligible students shall not be required to repay the unused portions of grants received under the state student financial aid program.

28B.92.080 Eligibility for state need grant.

For a student to be eligible for a state need grant a student must:

- (1) Be a "needy student" or "disadvantaged student" as determined by the board in accordance with RCW 28B.92.030 (3) and (4).
 - (2) Have been domiciled within the state of Washington for at least one year.
- (3) Be enrolled or accepted for enrollment on at least a half-time basis at an institution of higher education in Washington as defined in RCW <u>28B.92.030(1)</u>.
- (4) Have complied with all the rules and regulations adopted by the board for the administration of this chapter.

28B.92.090 Aid granted without regard to applicant's race, creed, color, religion, sex, or ancestry.

All student financial aid shall be granted by the commission without regard to the applicant's race, creed, color, religion, sex, or ancestry.

28B.92.100 Theology student denied aid.

No aid shall be awarded to any student who is pursuing a degree in theology.

28B.92.110 Application of award.

A state financial aid recipient under this chapter shall apply the award toward the cost of tuition, room, board, books and fees at the institution of higher education attended.

28B.92.120 Board to determine how funds disbursed.

Funds appropriated for student financial assistance to be granted pursuant to this chapter shall be disbursed as determined by the board.

[2004 c 275 § 41; 1969 ex.s. c 222 § 17. Formerly RCW 28B.10.818, 28.76.510.]

28B.92.130 Grants, gifts, bequests and devises of property.

The board shall be authorized to accept grants, gifts, bequests, and devises of real and personal property from any source for the purpose of granting financial aid in addition to that funded by the state.

28B.92.140 State educational trust fund — Deposits — Expenditures.

The state educational trust fund is hereby established in the state treasury. The primary purpose of the trust is to pledge statewide available college student assistance to needy or disadvantaged students, especially middle and high school youth, considered at-risk of dropping out of secondary education who participate in board-approved early awareness and outreach programs and who enter any accredited Washington institution of postsecondary education within two years of high school graduation.

The board shall deposit refunds and recoveries of student financial aid funds expended in prior fiscal periods in such account. The board may also deposit moneys that have been contributed from other state, federal, or private sources.

Expenditures from the fund shall be for financial aid to needy or disadvantaged students. The board may annually expend such sums from the fund as may be necessary to fulfill the purposes of this section, including not more than three percent for the costs to administer aid programs supported by the fund. All earnings of investments of balances in the state educational trust fund shall be credited to the trust fund. Expenditures from the fund shall not be subject to appropriation but are subject to allotment procedures under chapter 43.88 RCW.

28B.92.150 Board rules.

The board shall adopt rules as may be necessary or appropriate for effecting the provisions of this chapter, in accordance with the provisions of chapter 34.05 RCW, the administrative procedure act.